From:	Stan Sokolowski <ssokolowski@cifc.com>
To:	Stan Sokolowski <ssokolowski@cifc.com>
CC:	
Date:	Wed, 4/8/2015 8:48:19 PM
Subject:	Daily Update

Quote of the Day

"If you are waiting for Wall Street economists or strategists to warn you about impending risks, don't hold your breath" – Vitaliy Katsenelson

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- Equities are up bit today post the sell-off into yesterday's close. Many investors continue to scratch their heads over the Monday rally (post the Friday numbers). From the IMF yesterday:

> *"…the IMF warned in their Economic Outlook that they expect a prolonged period of low growth globally, with the slowdown for emerging markets expected to lead. Perhaps more interesting, the IMF suggested that the slowdown in potential output growth goes beyond the financial crisis in 2008, citing an aging population and slowdown in productivity growth in EM's in particular while also stating that 'a large share of the output loss since the crisis can now be seen as permanent and policies are thus unlikely to return investment fully to its pre-crisis trend'…"*

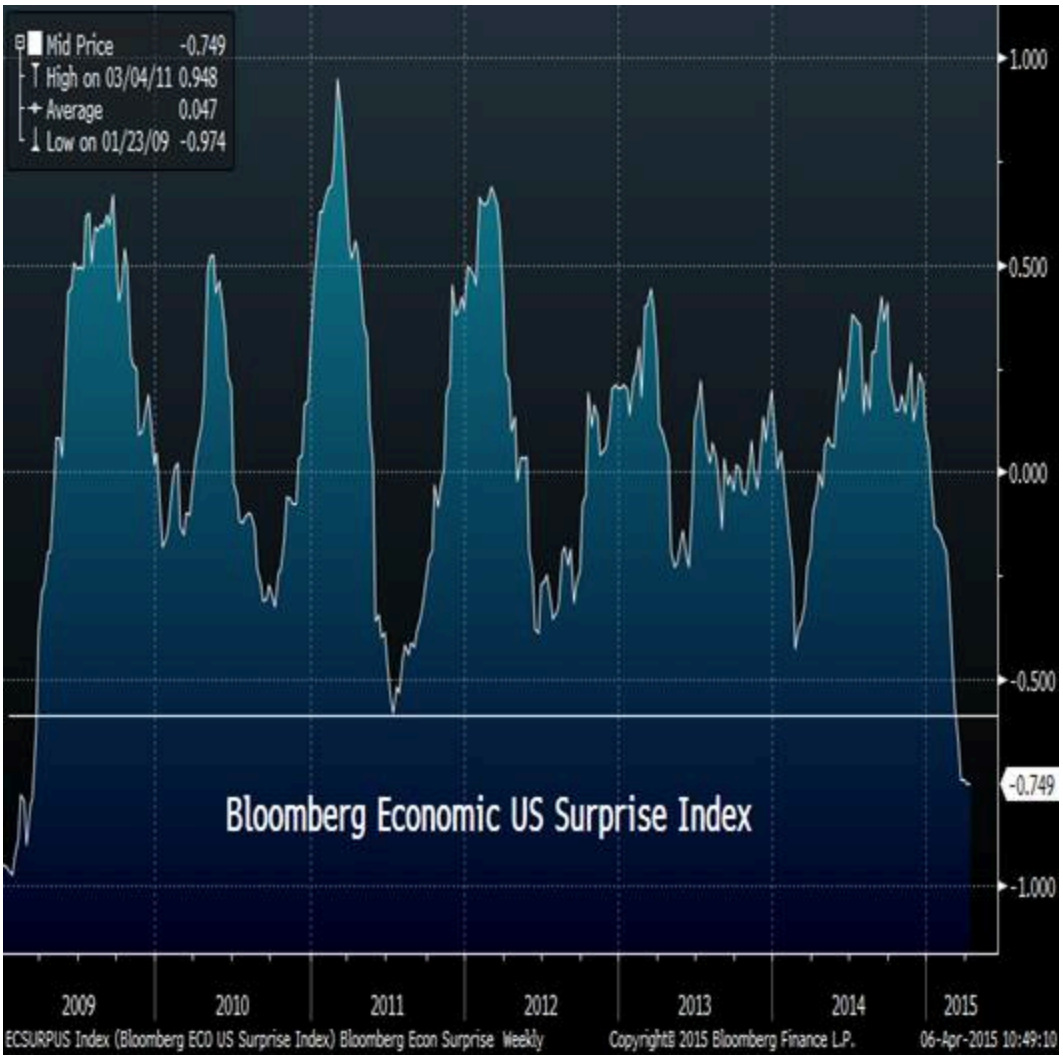
Also this morning, big deal M&A is in the news as Shell has agreed to purchase BG for GBP48bn ($70bn). Pretax savings are expected to be $2.5bn per year… This is a good smoke signal for the industry as others will look to consolidate and create "synergies" while prices remain depressed and a yoyo. Please keep your antennas up for names that could be an acquisition target – across all sectors. The Bank of Japan has left their massive QE program in place (not a surprise) as the Nikkei reached 15 year highs today (the wonders of money printing!). Other money printing trivia for the morning includes Europes Stoxx 600 climbing above a record high. Events of the day include the release of 3/18 Fed minutes (which are probably stale given the jobs data on Friday) and AA's earnings at the close. Godfather Emanuel won the runoff for a second term as Chicago's mayor too. Futures: +8. 10 year: 1.92%

- Data: German factory orders come in weak at -0.9% (vs. 1.5% exp)

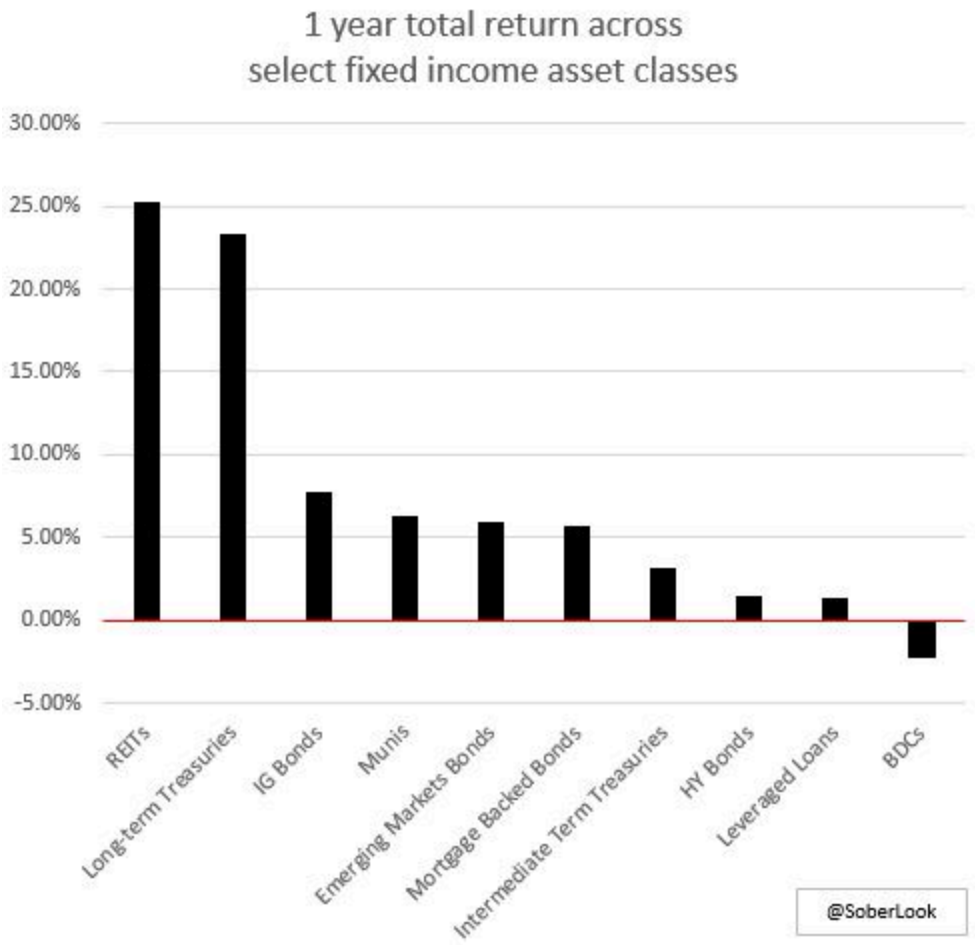
- Credit: Loans remain bid as technical remain very, very strong. CLOs and SMAs are still hungry for paper while Retail continue to "fight the Fed". JPMorgan says that 49% of loans are trading north of par now (Rick Lam says more). High yield is well bid too as issuers continue to stuff new issues into the pipe. In other credit news, Switzerland issued 10 year bonds at a negative yield and the Mexican's are bringing a 100 year Eurobond!

- Charts of the day:

Positive surprises next?...

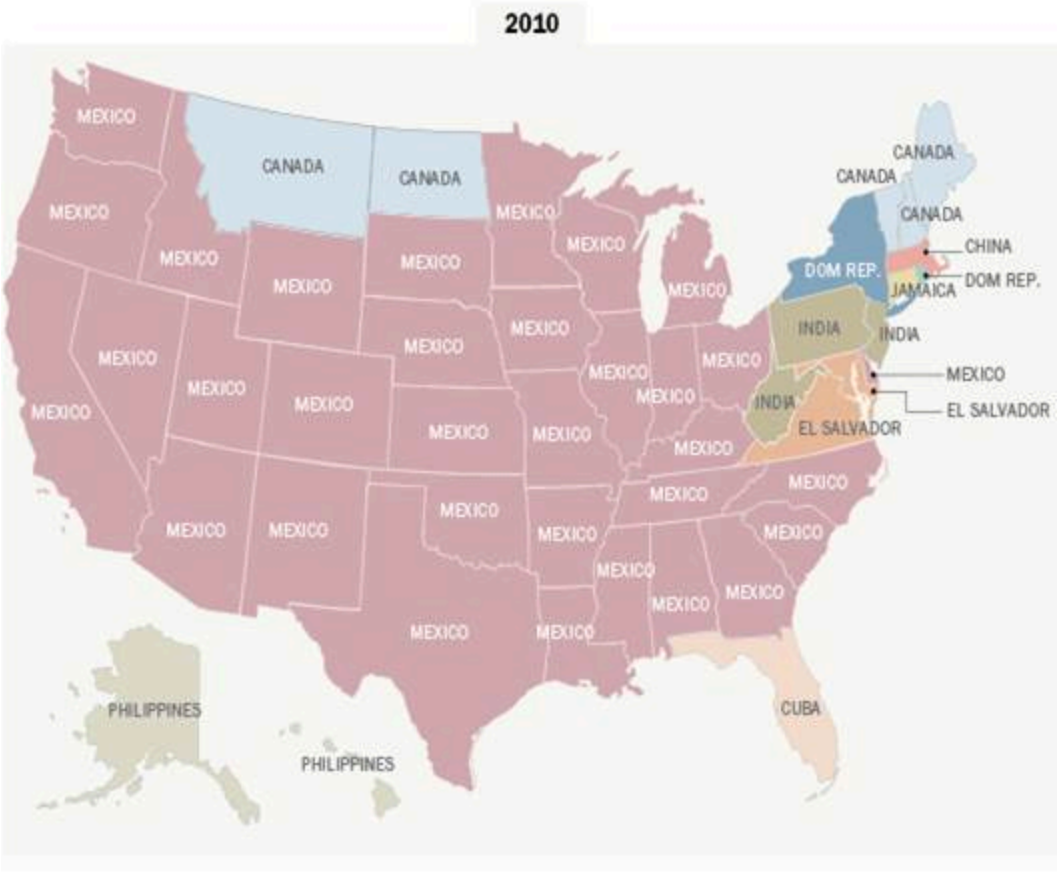


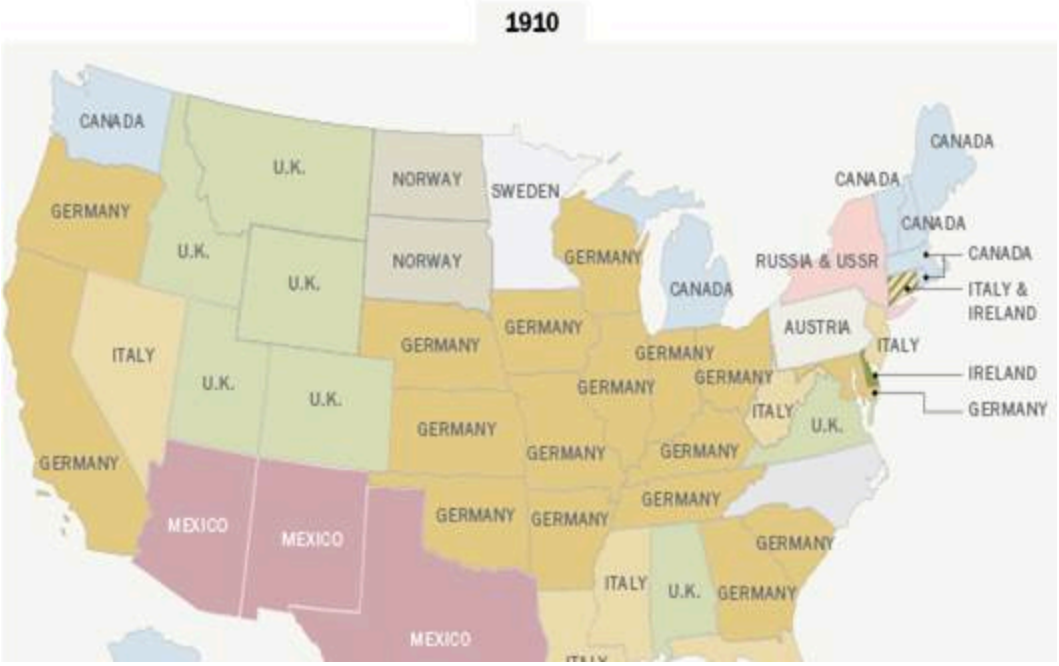
Message: Be long US Treasuries…


1 year total return across
select fixed income asset classes
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
-5.00%
REITs
Long-term Treasuries
IG Bonds
Munis
Emerging Markets Bonds
Mortgage Backed Bonds
Intermediate Term Treasuries
HY Bonds
Leveraged Loans
BDCs
@SoberLook

Where Each State's Largest Immigrant Population Was Born

Top nation of origin by state



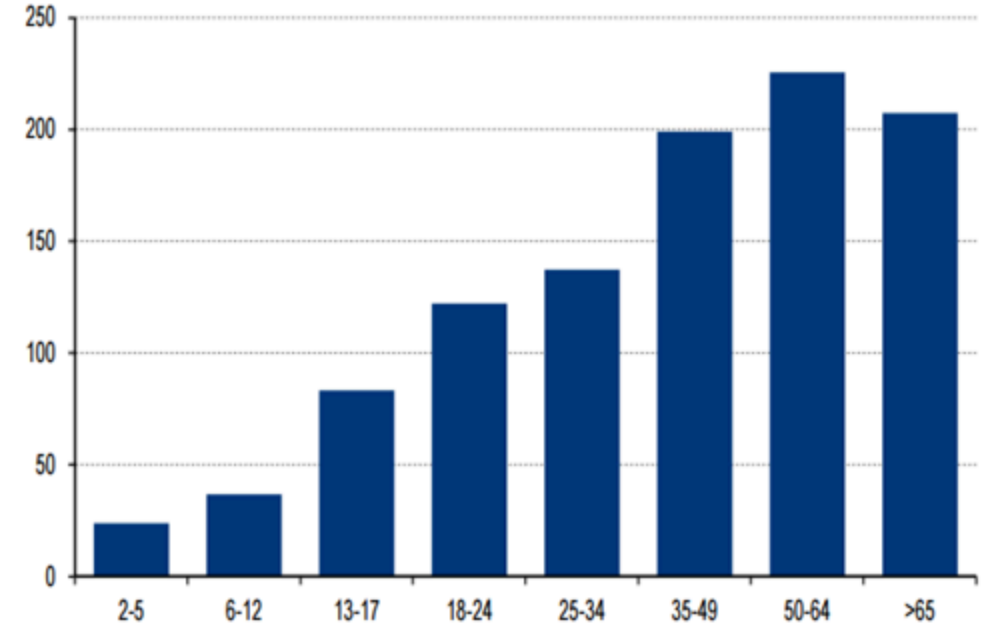


Note: Countries are defined by their modern-day boundaries, which may be different from their historical boundaries. Russia and the former USSR countries are combined in this analysis, even though the Soviet Union was only in existence between 1922 and 1991. Birthplace is self-reported by respondents. Arizona and New Mexico became states in 1912. Alaska and Hawaii became states in 1959. Sample size in North Carolina is too small to analyze in 1910.
Source: Based on Pew Research Center tabulations of of 2009-2011 American Community Surveys and 1910 Census, IPUMS.

PEW RESEARCH CENTER

- Other:
    - The Iran Deal and Its Consequences http://www.wsj.com/articles/the-iran-deal-and-its-consequences-1428447582
    - Michael Bloomberg, Mayor of London? http://www.nytimes.com/2015/04/08/opinion/michael-bloomberg-mayor-of-london.html?partner=rss&emc=rss&_r=0
    - Got caffeine?

Chart 5: Caffeine — Mg/day by age group (2010-2011)



Source: International Life Sciences Institute

- HY: 107 ¾ (+1/32)
- IG: 60 1/8 (-1/32)
- CSLLI: .021% mtd / 2.28% ytd

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